

**MINUTES OF THE WORK SESSION AND REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF NORTH RICHLAND HILLS, TEXAS,
HELD IN THE CITY HALL, 7301 NORTHEAST
LOOP 820 – August 24, 2009**

WORK SESSION

The City Council of the City of North Richland Hills, Texas met in work session on the 24th day of August, 2009 at 5:45 p.m. in the Council Work Room prior to the 7:00 p.m. regular Council meeting.

Present:	Oscar Trevino	Mayor
	Scott Turnage	Mayor Pro Tem, Council, Place 6
	John Lewis	Council, Place 1
	Ken Sapp	Council, Place 2
	Tom Lombard	Council, Place 3
	Tim Barth	Council, Place 4
	David Whitson	Council, Place 5
	Tim Welch	Council, Place 7
Staff Members:	Larry J. Cunningham	City Manager
	Karen Bostic	Assistant City Manager
	Jimmy Perdue	Assistant City Manager
	Mike Curtis	Managing Director
	Vickie Loftice	Managing Director
	Patricia Hutson	City Secretary
	Monica Solko	Assistant City Secretary
	George Staples	City Attorney
	Mary Peters	Public Information Officer
	Elizabeth Reining	Assistant to City Manager
	John Pitstick	Director of Planning & Development
	Larry Koonce	Finance Director
	Mark Mills	Budget Director
	Greg VanNieuwenhuize	Assistant Public Works Director
	Caroline Waggoner	Public Works Engineer
	Jamie Brockway	Purchasing Manager
	Laury Fiorello	Assistant Finance Director
	Patrick Hills	Human Resources Director
	Kyle Spooner	Information Services Director

Call to Order

Mayor Trevino called the work session to order at 5:45 p.m.

A.0 **Discuss Items from Regular City Council Meeting**

Agenda Item F.1, PU 2009-031– Mayor Pro Tem Turnage questioned the award of professional audit services. Laury Fiorello, Assistant Finance Director advised that after careful view of each firm the committee felt that Deloitte and Touche, LLP offered the best services for the money and had the staffing to perform the job.

Mayor Trevino advised that a letter was received from CenterPoint Church with regard to Agenda item C.2, ZC 2009-05. John Pitstick, Director of Planning and Development advised that he and Mike Curtis, Managing Director had met with the church representatives. An agreement was reached to reduce the buffer to 50 feet and therefore reducing the overall acreage of the rezoning to 278 acres. This change would need to be reflected in the motion for the upcoming item.

B.0 EXECUTIVE SESSION - The City Council may enter into closed Executive Session to discuss the following as authorized by Chapter 551, Texas Government Code

B.1 Executive Session: Personnel Pursuant to Section 551.074, Texas Government Code to deliberate the appointment and employment of the City Manager

Mayor Trevino announced at 5:49 p.m. that the Council would adjourn into Executive Session as authorized by Chapter 551, Texas Government Code, specifically Section 551.074 to deliberate the appointment and employment of the City Manager.

C.0 Adjournment

Mayor Trevino announced at 6:09 p.m. that the Council would adjourn to the regular Council meeting.

REGULAR COUNCIL MEETING

A.0 CALL TO ORDER

Mayor Trevino called the meeting to order August 24, 2009 at 7:00 p.m.

ROLL CALL

Present:	Oscar Trevino	Mayor
	Scott Turnage	Mayor Pro Tem, Council, Place 6
	John Lewis	Council, Place 1

Ken Sapp	Council, Place 2
Tom Lombard	Council, Place 3
Tim Barth	Council, Place 4
David Whitson	Council, Place 5
Tim Welch	Council, Place 7

Staff:

Larry J. Cunningham	City Manager
Karen Bostic	Assistant City Manager
Jimmy Perdue	Assistant City Manager
Mike Curtis	Managing Director
Vickie Loftice	Managing Director
Patricia Hutson	City Secretary
Monica Solko	Assistant City Secretary
George Staples	Attorney

**A.1
INVOCATION**

Councilman Whitson gave the invocation.

**A.2
PLEDGE OF ALLEGIANCE**

Councilman Whitson led the pledge of allegiance.

**A.3
SPECIAL PRESENTATION(S) AND RECOGNITION(S) -
YARD OF THE MONTH AWARDS PRESENTED BY COUNCILMAN WELCH**

Justin Welborn, Keep NRH Beautiful Commission Member and Councilman Welch recognized the following yard of the month recipients for August: Jay Cornelius, 3800 Park Oaks Court; Robert Bergerson, 4317 Lynn Terrace; Melanie Dooley, 6317 Riviera Drive; Joyce Brewer, 7241 Green Meadow Drive; Beverly Sims, 4904 Nevada Trail; Judy Jenkins, 6517 Yarmouth Avenue; Susan Graves, 7005 Leaning Oak Drive; Charles B. Kilgore, 6708 North Park; Paul Timmons, 7624 Silverleaf. Loeffler's European Automobiles, Inc., 5935 Davis Blvd was recognized as the August Business Landscape Winner.

**A.4
SPECIAL PRESENTATION(S) AND RECOGNITION(S) -
RECOGNITION OF UPGRADE IN THE FEDERAL EMERGENCY MANAGEMENT
AGENCY'S COMMUNITY RATING SERVICE**

Mike Curtis, Managing Director and Mayor Pro Tem Turnage joined Rob Connell, Natural Hazards Program Specialist with FEMA Region 6, who recognized the City of North Richland Hills with a plaque for a recent upgrade from a Class 7 to Class 6 community. Only four communities with the State of Texas have a higher rating than North Richland Hills.

**A.5
CITIZENS PRESENTATION**

None.

**A.6
REMOVAL OF ITEM(S) FROM THE CONSENT AGENDA**

None.

**B.0
APPROVAL OF CONSENT AGENDA ITEMS
APPROVED**

B.1 APPROVAL OF MINUTES OF AUGUST 10, 2009 CITY COUNCIL MEETING

B.2 PW 2009-031 AWARD OF PROJECT RFB NO. 09-034 TO PROCON PAVING & CONSTRUCTION IN THE AMOUNT OF \$295,664.00 FOR THE CONSTRUCTION OF THE NEWMAN / WINTER PARK / AMUNDSON WATER LINE PROJECT (UT0707)

COUNCILMAN LOMBARD MOVED TO APPROVE THE CONSENT AGENDA. COUNCILMAN WHITSON SECONDED THE MOTION.

MOTION TO APPROVE CARRIED 7-0.

PUBLIC HEARINGS

**C.1
TR 2009-03 PUBLIC HEARING AND CONSIDERATION OF AMENDING THE**

**COMPREHENSIVE ZONING ORDINANCE FOR THE CITY OF NORTH RICHLAND HILLS BY REVISING THE TRANSIT ORIENTED DEVELOPMENT CODE AND UPDATING THE COMPREHENSIVE LAND USE PLAN MAP - ORDINANCE NO. 3061
APPROVED**

Mayor Trevino opened the public hearing and called on John Pitstick to present the item.

Mr. Pitstick, Planning and Development Director summarized the item. As a result of continued discussions with property owners staff has consolidated the Mixed Use Criteria into Commercial, Residential, Open Space and Other and also removed the requirement for any residential in the mixed use character zones. Previously the TOD Code identified Retail/Restaurant and Office as separate land uses for mixed use percentage requirements. Retail, Office and Restaurant uses are now being included as a single Commercial use in relation to the mixed use criteria requirement. The other change is an update to the Comprehensive Land Use map. The City Council at the June 8, 2009 Public Hearing voted unanimously to approve the TOD Code but left Mr. Jim Makens, Mr. Dan Smalley and Mr. Rick Work's properties out of the Comprehensive Plan map changes at their request. However, since Mr. Makens is in the process of selling his property to the City of North Richland Hills, staff is including this property back in the Smithfield TOD area as part of the revised Comprehensive Plan map. Mr. Smalley's and Mr. Work's properties are still left out of the Iron Horse TOD area on the Comprehensive Plan map. Staff is continuing to meet with Iron Horse property owners and is hopeful that a consensus can be reached with these property owners in the near future. At that time staff can come back for the rezoning of the Iron Horse area. The Planning & Zoning Commission recommended approval of TR 2009-03 by a 6-0 vote.

Mayor Trevino called for anyone wishing to speak for or against the request to come forward.

There being no one wishing to speak, Mayor Trevino closed the public hearing and called for the motion.

**COUNCILMAN LOMBARD MOVED TO APPROVE TR 2009-03; ORDINANCE No. 3061.
COUNCILMAN WELCH SECONDED THE MOTION.**

MOTION TO APPROVE CARRIED 7-0.

C.2

**ZC 2009-05 PUBLIC HEARING AND CONSIDERATION OF REZONING
APPROXIMATELY 279 ACRES IDENTIFIED ON THE NORTH RICHLAND HILLS
COMPREHENSIVE LAND USE PLAN AS THE SMITHFIELD TRANSIT ORIENTED**

DEVELOPMENT DISTRICT - ORDINANCE NO. 3064
APPROVED

Mayor Trevino opened the public hearing and called on John Pitstick to presented the item.

John Pitstick, Planning and Development Director summarized the item. Public notices have been sent out to a total of 431 separate property owners for the rezoning of the 279 acres of land within the designated Smithfield TOD area. One hundred and fifteen (115) property owners are within the 279 acres. An additional 316 property owners notified are within 200 feet of the proposed Smithfield rezoning. The Planning & Zoning Commission recommends approval by a 6-0 vote.

Staff has recently met with Centerpoint Church representatives and have come to an agreement on the rezoning of the church's property within the TOD area. The agreement consists of reducing the buffer from 200 feet to 50 feet which would reduce the overall acreage for the district to 278 acres.

Mayor Trevino called on Pastor Jay Brewer with CenterPoint Church to come forward for comments.

Pastor Brewer advised that the Church was in favor of the overall intent of the district but was concerned about the hardships it would cause the master plan already set by the church. The Church was concerned with the depth of the overlay but with the adjustment agreed to with staff, the Church would like to participate in the project.

Mayor Trevino called for anyone wishing to speak for or against the request to come forward.

There being no one wishing to speak, Mayor Trevino closed the public hearing and called for the motion.

COUNCILMAN WELCH MOVED TO APPROVE ZC 2009-05 REZONING 278 ACRES OF LAND IN THE SMITHFIELD TOD DISTRICT AND APPROVING ORDINANCE No. 3061 WITH THE ACREAGE AND BUFFER CORRECTION TO EXHIBIT A. COUNCILMAN BARTH SECONDED THE MOTION.

MOTION TO APPROVE CARRIED 7-0.

Scott Polikov, Gateway Planning Group presented John Pitstick and Mayor Pro Tem Turnage with a framed StarTelegram news article on the Smithfield TOD in order to memorialize the vision.

C.3

GN 2009-059 CONDUCT PUBLIC HEARING ON PROPOSED 2009-2010 BUDGET

Mayor Trevino opened the public hearing on the proposed 2009-2010 Budget.

Mr. Mark Mills, Budget Director, presented a PowerPoint presentation highlighting the proposed Annual Operating Budget for all funds and the Capital Improvements Budget. Mr. Mills highlighted the revenues, expenditures and service enhancements for all funds and presented highlights of the capital projects proposed in the Capital Budget. The proposed budget will be recommended for adoption at the September 14 Council meeting.

Mayor Trevino asked for public comments on the proposed 2009-2010 Proposed Budget.

There being no one wishing to speak, Mayor Trevino closed the public hearing.

C.4

GN 2009-058 CONDUCT A PUBLIC HEARING ON PROPOSED TAX RATE

Mayor Trevino opened the public hearing on the proposed tax rate for fiscal year 2009-2010.

Mr. Mark Mills, Budget Director, presented a PowerPoint presentation, giving an overview of the proposed tax rate. Mr. Mills discussed the history of net taxable values, a breakdown by tax year of appraised values, and changes in property values. The proposed tax rate for Fiscal Year 2009-2010 is 57¢. If adopted, the 57¢ tax rate will have been maintained for 17th consecutive years. Mr. Mills advised that because the proposed tax rate of 57¢ is lower than both the effective tax rate of 58.8866¢ and the rollback rate of 57.5776¢, the two public hearings are not required by law. However, to foster open communication and transparency, the City of North Richland Hills will conduct a single tax rate public hearing on Monday, August 24, 2009.

Mayor Trevino asked for public comments on the proposed 57¢ tax rate.

There being no one wishing to speak, Mayor Trevino closed the public hearing and announced that the Council will adopt the tax rate at the 7:00 p.m. September 14, 2009 Regular Council meeting to be held in the Council Chambers in City Hall.

PLANNING & DEVELOPMENT

D.1

Items to follow do not require a public hearing

No items for this category.

PUBLIC WORKS

E.1

**PW 2009-032 APPROVE ORDINANCE AMENDING CHAPTER 102, ARTICLE 2 OF
THE NORTH RICHLAND HILLS CODE OF ORDINANCES, AMENDING
REGULATIONS TO FEMA IDENTIFIED FLOOD HAZARD AREAS -
ORDINANCE NO. 3063
APPROVED**

Mr. Greg VanNieuwenhuize, Assistant Public Works Director, presented the item. The Federal Emergency Management Agency (FEMA) is currently in the process of a nationwide conversion of existing Flood Insurance Rate maps (FIRMs) into Digital Flood Insurance Rate Maps (DFIRMs). In October of 2007, FEMA released, for public review, the revised preliminary DFIRMs (digital maps) for the City of North Richland Hills. FEMA provided a two-month review period to allow entities who had the appropriate technical data to appeal/protest these Preliminary DFIRMs prior to any formal adoption of the DFIRM. The City of North Richland Hills officially submitted five (5) protests to FEMA for review. All but one of these protests was approved, and the Preliminary DFIRMs were revised accordingly. Upon the conclusion of the appeal and protest period, the appropriate map changes were incorporated into the DFIRMs and FEMA issued a Letter of Final Determination on March 25, 2009 to this affect. This Letter of Final Determination required entities that desired to remain in the National Flood Insurance Program to adopt these DFIRMS prior to or on their effective date of September 25, 2009. Staff is recommending approval of Ordinance No. 3063.

**COUNCILMAN LOMBARD MOVED TO APPROVE PU 2009-032; ORDINANCE No. 3063.
COUNCILMAN WHITSON SECONDED THE MOTION.**

MOTION TO APPROVE CARRIED 7-0.

GENERAL ITEMS

F.1

**PU 2009-031 AWARD RFP NO. 09-038 FOR PROFESSIONAL AUDIT SERVICES TO
DELOITTE AND TOUCHE LLP
APPROVED**

Laury Fiorello, Assistant Finance Director presented the item. Item is to consider the award of a professional audit services contract. The City requested Requests for Proposals in accordance with city policy and proposals were received from three firms.

The City's selections committee reviewed and evaluated the proposals and is recommending award for professional audit services to Deloitte & Touche, LLP.

COUNCILMAN LEWIS MOVED TO APPROVE PU 2009-031. COUNCILMAN WHITSON SECONDED THE MOTION.

MOTION TO APPROVE CARRIED 7-0.

F.2
GN 2009-062 APPROVE SETTLEMENT OF ATMOS ENERGY RRM FILING -
ORDINANCE NO. 3062
APPROVED

Karen Bostic, Assistant City Manager summarized the item. On March 6, 2009, Atmos Energy Mid-Tex Division ("Atmos") filed with the City an application to increase natural gas rates pursuant to the Rate Review Mechanism ("RRM") tariff approved by the City as part of the settlement of the Atmos Mid-Tex 2007 Statement of Intent to increase rates. The March RRM filing sought a \$20.2 million rate increase. The RRM process was created collaboratively by the Atmos Cities Steering Committee ("ACSC") and Atmos Mid-Tex as an alternative to the Gas Reliability Infrastructure Program ("GRIP") surcharge process. The RRM process allows for a more comprehensive rate review and annual adjustment that will function as a substitute for future GRIP filings during the three-year trial period specified by the tariff.

The City of North Richland Hills, along with 150 other cities served by Atmos Energy Mid-Tex Division is a member of the Atmos Cities Steering Committee. The City worked with ACSC to analyze the schedules and evidence offered by Atmos to support its request to increase rates. As a result of the negotiations, ACSC was able to reduce the Company's requested \$20.2 million RRM increase by more than 70%. The RRM tariffs did approve rates that will increase Atmos' revenues by \$2.6 million effective for bills on or after August 1, 2009. The monthly bill impact for the average residential customer will be a \$0.15 increase (about a 0.22% increase in the total bill). The alternative to a settlement of the RRM filing would be a contested case proceeding before the Railroad Commission of Texas ("RRC") on Atmos' current application. This would take several months and cost ratepayers millions of dollars in rate case expenses and would not likely produce a result more favorable than that to be produced by the settlement. The ACSC Executive Committee recommends that ACSC members take action to approve the Ordinance authorizing new rate tariffs.

MAYOR PRO TEM TURNAGE MOVED TO APPROVE ORDINANCE NO. 3062. COUNCILMAN SAPP SECONDED THE MOTION.

MOTION TO APPROVE CARRIED 7-0.

F.3
**GN 2009-061 CONSIDER APPOINTMENTS TO ECONOMIC DEVELOPMENT
ADVISORY COMMITTEE**
APPROVED

Craig Hulse, Economic Development Director presented the item. The Economic Development Advisory Committee has five members whose terms expire August of 2009. All five members have expressed their willingness to continue service on this committee for another two years (expiring August 2011). Therefore, the Economic Development Department recommends the Council consider the reappointment of:

Janet Golightly	--	Golightly's Gallery
Tom Hervey	--	Alan Samuels Dodge & Hyundai
John Hunter	--	HealthMarkets
Jim Makens	--	The Makens Company
Mike Rigby	--	Liberty Bank

COUNCILMAN WHITSON MOVED TO APPROVE GN 2009-061. COUNCILMAN WELCH SECONDED THE MOTION.

MOTION TO APPROVE CARRIED 7-0.

EXECUTIVE SESSION ITEMS
G.1
**ACTION ON ANY ITEM DISCUSSED IN EXECUTIVE SESSION LISTED ON WORK
SESSION AGENDA**
**APPOINTMENT OF CITY MANAGER AND APPROVAL
OF EMPLOYMENT CONTRACT**
APPROVED

Mayor Trevino announced that during executive session Council had deliberated the appointment and employment of the City Manager.

MAYOR PRO TEM TURNAGE MOVED TO APPROVE THE EMPLOYMENT CONTRACT AND APPOINTMENT OF MARK HINDMAN. COUNCILMAN WHITSON SECONDED THE MOTION.

MOTION TO APPROVE CARRIED 7-0.

INFORMATION AND REPORTS
H.1

ANNOUNCEMENTS

Councilman Sapp made the following announcements.

The new school year has begun and all motorists share the responsibility of making sure students arrive to school safely. The City of North Richland Hills reminds drivers to slow down in neighborhoods where children are walking, riding bikes or waiting for the school bus. Please remember to stop for school buses and to reduce your speed in school zones.

The North Richland Hills Public Library is offering a free Quilting Program at 7 p.m. on Thursday, September 3rd. Sharon Allred-Haire, who has taught quilting classes for nearly 30 years, will be presenting tips and techniques for quilters in the Community Room. The Library is located at 9015 Grand Ave. For more information please call 817-427-6814.

City Hall and other non-emergency City offices will be closed on Monday, September 7th, in observance of the Labor Day holiday. NRH2O and Iron Horse Golf Course will be open. Garbage and recycling will not be collected on Labor Day. Monday collections will shift to Tuesday and Tuesday collections will be made on Wednesday.

Kudos Korner - Delton Webb, Public Service Officer, Police Department. An e-mailed was received from a resident who experienced car trouble on a North Richland Hills street. The resident said Officer Webb arrived and directed traffic around the disabled vehicle until a tow truck arrived. He also assisted in getting the vehicle hooked up to the tow truck. He was friendly, courteous, professional and informative and the resident appreciated his assistance very much.

H.2 ADJOURNMENT

Mayor Trevino adjourned the meeting at 8:47 p.m.

Oscar Trevino – Mayor

ATTEST:

Patricia Hutson, City Secretary